

Direction 131 issued under Part 3 of Schedule 4 to the Legal Services Act 2007 to the Association of Chartered Certified Accountants (ACCA)

1. This is a direction issued pursuant to paragraph 19(3) of Schedule 4 to the Legal Services Act 2007 (the Act).
2. Unless stated otherwise, words in this direction are used as they are defined in the Act.
3. In accordance with paragraph 19(3) of Schedule 4 to the Act, the Board has directed that the following alterations by the ACCA to its regulatory arrangements be treated as exempt alterations for the purposes of paragraph 19(2)(c) of Schedule 4:

Amendments to the ACCA Rulebook Section 2 Regulations and ACCA Rulebook Section 3 Code of Ethics and Conduct amendments

Proposed changes

4. The changes to the Section 2 Regulations are to the following sets of regulations:
 - Membership Regulations amendments
 - Global Practising Regulations amendments
 - Authorisation Regulations amendments
 - Complaints and Disciplinary Regulations amendments
 - Appeal Regulations amendments
 - Interim Orders Regulations and Health Regulations amendments.
5. Section 3, the Code of Ethics and Conduct preface has been renamed 'a Guide' and incorporates the International Ethics Standards Board for Accountants (IESBA) code.

Reason for exemption direction

6. The background to these changes is that IESBA, which is the independent standard setting body for accountants, and which periodically issues revised standards, issued a restructured/updated code in April 2018. As a result of the restructured and updated IESBA Code the ACCA needs to update its regulatory arrangements accordingly.
7. None of the changes are specifically aimed at ACCA accountants undertaking reserved legal activities. They are changes which affect the entirety of the ACCA's regulated community. The regulations that apply to all members of the ACCA are approved by the two main oversight bodies, the Financial Reporting Council (FRC) and the Irish Audit and Accountancy Supervisory Authority (IAASA).
8. The ACCA confirmed on 5 December that its changes had received approval from both the FRC and IAASA. As a small number of ACCA members conduct reserved legal activities, restricted to probate, the LSB is also formally required to approve the rules.
9. The LSB is assured that the ACCA is complying with the standards set by the IESBA and is further assured by the scrutiny and approval of the FRC and IAASA. We have noted that the changes have also been approved by the ACCA's internal Standards Board and Regulatory Board.
10. A final copy of the alterations was submitted to the Board on 22 November 2018 and the ACCA confirmed on 5 December 2018 that the proposed changes had been approved by all relevant bodies.

11. This direction is to be deemed made on and to be effective from 11 December 2018.

For and on behalf of the Legal Services Board
11 December 2018